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## **GOVERNMENT - MUNICIPAL**

HOUSE BILL 99-1326

BY REPRESENTATIVES McElhany, Pfiffner, Dean, George, Smith, T. Williams, Chavez, Fairbank, Lee, Leyba, Mace, May, McKay, Paschall, Spradley, Stengel, Veiga, and Young; also SENATORS Owen, Blickensderfer, Chlouber, Powers, and Wattenberg.

## AN ACT

CONCERNING THE ACQUISITION OF PROPERTY BY LOCAL GOVERNMENTS THROUGH URBAN RENEWAL.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1.** 31-25-103 (2), Colorado Revised Statutes, is amended to read:

- **31-25-103. Definitions.** As used in this part 1, unless the context otherwise requires:
- (2) "Blighted area" means an area which THAT, IN ITS PRESENT CONDITION AND USE AND, by reason of the presence of AT LEAST FOUR OF THE FOLLOWING FACTORS, SUBSTANTIALLY IMPAIRS OR ARRESTS THE SOUND GROWTH OF THE MUNICIPALITY, RETARDS THE PROVISION OF HOUSING ACCOMMODATIONS, OR CONSTITUTES AN ECONOMIC OR SOCIAL LIABILITY, AND IS A MENACE TO THE PUBLIC HEALTH, SAFETY, MORALS, OR WELFARE:
  - (a) A substantial number of Slum, deteriorated, or deteriorating structures;
  - (b) Predominance of defective or inadequate street layout;
  - (c) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
  - (d) Unsanitary or unsafe conditions;
  - (e) Deterioration of site or other improvements;
  - (f) Unusual topography;

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

- (g) Defective or unusual conditions of title rendering the title nonmarketable; or
- (h) The existence of conditions which THAT endanger life or property by fire and other causes; or any combination of such factors, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare in its present condition and use.
- (i) BUILDINGS THAT ARE UNSAFE OR UNHEALTHY FOR PERSONS TO LIVE OR WORK IN BECAUSE OF BUILDING CODE VIOLATIONS, DILAPIDATION, DETERIORATION, DEFECTIVE DESIGN, PHYSICAL CONSTRUCTION, OR FAULTY OR INADEQUATE FACILITIES;
  - (i) ENVIRONMENTAL CONTAMINATION OF BUILDINGS OR PROPERTY;
  - (k) INADEQUATE PUBLIC IMPROVEMENTS OR UTILITIES; OR
- (1) IF THERE IS NO OBJECTION BY THE PROPERTY OWNER OR OWNERS AND THE TENANT OR TENANTS OF SUCH OWNER OR OWNERS, IF ANY, TO THE INCLUSION OF SUCH PROPERTY IN AN URBAN RENEWAL AREA, "BLIGHTED AREA" ALSO MEANS AN AREA THAT, IN ITS PRESENT CONDITION AND USE AND, BY REASON OF THE PRESENCE OF ANY ONE OF THE FACTORS SPECIFIED IN PARAGRAPHS (a) TO (k) OF THIS SUBSECTION (2), SUBSTANTIALLY IMPAIRS OR ARRESTS THE SOUND GROWTH OF THE MUNICIPALITY, RETARDS THE PROVISION OF HOUSING ACCOMMODATIONS, OR CONSTITUTES AN ECONOMIC OR SOCIAL LIABILITY, AND IS A MENACE TO THE PUBLIC HEALTH, SAFETY, MORALS OR WELFARE. FOR PURPOSES OF THIS PARAGRAPH (1), THE FACT THAT AN OWNER OF AN INTEREST IN SUCH PROPERTY DOES NOT OBJECT TO THE INCLUSION OF SUCH PROPERTY IN THE URBAN RENEWAL AREA DOES NOT MEAN THAT THE OWNER HAS WAIVED ANY RIGHTS OF SUCH OWNER IN CONNECTION WITH LAWS GOVERNING CONDEMNATION.

**SECTION 2.** 31-25-105 (1) (j), Colorado Revised Statutes, is amended to read:

- **31-25-105.** Powers of an authority. (1) Every authority has all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this part 1, including, but not limited to, the following powers in addition to others granted in this part 1:
- (j) To make reasonable relocation payments to or with respect to individuals, families, and business concerns situated in an urban renewal area which THAT will be displaced as provided in subparagraph (IV) of paragraph (i) of this subsection (1) for moving expenses and actual direct losses of property (except goodwill or profit) INCLUDING, FOR BUSINESS CONCERNS, GOODWILL AND LOST PROFITS THAT ARE REASONABLY RELATED TO RELOCATION OF THE BUSINESS, resulting from their displacement for which reimbursement or compensation is not otherwise made, including the making of such payments financed by the federal government;
- **SECTION 3.** 31-25-107 (1), (3), and (4), Colorado Revised Statutes, are amended, and the said 31-25-107 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

CONDITION.

- 31-25-107. Approval of urban renewal plans by the local governing body. (1) An authority shall not actually undertake an urban renewal project for an urban renewal area unless BASED ON EVIDENCE PRESENTED AT A PUBLIC HEARING the governing body, by resolution, has determined such area to be a slum, blighted area, or a combination thereof and designated such area as appropriate for an urban renewal project. EXCEPT FOR URBAN RENEWAL PLANS SUBJECT TO SECTION 31-25-103 (2) (1), THE BOUNDARIES OF AN AREA THAT THE GOVERNING BODY DETERMINES TO BE A BLIGHTED AREA SHALL BE DRAWN AS NARROWLY AS THE GOVERNING BODY DETERMINES FEASIBLE TO ACCOMPLISH THE PLANNING AND DEVELOPMENT OBJECTIVES OF THE PROPOSED URBAN RENEWAL AREA. The governing body shall not approve an urban renewal plan until a general plan for the municipality has been prepared. An authority shall not acquire real property for an urban renewal project unless the local governing body has approved the urban renewal plan in accordance with subsection (4) of this section. IN MAKING THE DETERMINATION AS TO WHETHER A PARTICULAR AREA IS BLIGHTED PURSUANT TO THE PROVISIONS OF THIS PART 1, ANY PARTICULAR CONDITION FOUND TO BE PRESENT MAY SATISFY AS MANY OF THE FACTORS REFERENCED IN SECTION 31-25-103 (2) AS ARE APPLICABLE TO SUCH
- (3) The governing body shall hold a public hearing on an urban renewal plan or substantial modification of an approved urban renewal plan NO LESS THAN THIRTY DAYS after public notice thereof by publication in a newspaper having a general circulation in the municipality. The notice shall describe the time, date, place, and purpose of the hearing, shall generally identify the urban renewal area covered by the plan, and shall outline the general scope of the urban renewal project under consideration.
- (4) Following such hearing, the governing body may approve an urban renewal plan if it finds that:
- (a) A feasible method exists for the relocation of individuals and families who will be displaced by the urban renewal project in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such individuals and families;
- (b) A FEASIBLE METHOD EXISTS FOR THE RELOCATION OF BUSINESS CONCERNS THAT WILL BE DISPLACED BY THE URBAN RENEWAL PROJECT IN THE URBAN RENEWAL AREA OR IN OTHER AREAS THAT ARE NOT GENERALLY LESS DESIRABLE WITH RESPECT TO PUBLIC UTILITIES AND PUBLIC AND COMMERCIAL FACILITIES;
- (c) The governing body has taken reasonable efforts to provide written notice of the public hearing prescribed by subsection (3) of this section to all property owners, residents, and owners of business concerns in the proposed urban renewal area at their last known address of record at least thirty days prior to such hearing. Such notice shall contain the same information as is required for the notice described in subsection (3) of this section.
- (d) No more than one hundred twenty days have passed since the commencement of the first public hearing of the urban renewal plan pursuant to subsection (3) of this section;

- (e) EXCEPT FOR URBAN RENEWAL PLANS SUBJECT TO SECTION 31-25-103 (2) (1), IF THE URBAN RENEWAL PLAN CONTAINS PROPERTY THAT WAS INCLUDED IN A PREVIOUSLY SUBMITTED URBAN RENEWAL PLAN THAT THE GOVERNING BODY FAILED TO APPROVE PURSUANT TO THIS SECTION, AT LEAST TWENTY-FOUR MONTHS SHALL HAVE PASSED SINCE THE COMMENCEMENT OF THE PRIOR PUBLIC HEARING CONCERNING SUCH PROPERTY PURSUANT TO SUBSECTION (3) OF THIS SECTION UNLESS SUBSTANTIAL CHANGES HAVE OCCURRED SINCE THE COMMENCEMENT OF SUCH HEARING THAT RESULT IN SUCH PROPERTY CONSTITUTING A BLIGHTED AREA PURSUANT TO SECTION 31-25-103;
- (b) (f) The urban renewal plan conforms to the general plan of the municipality as a whole; and
- (e) (g) The urban renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise.
- (10) THE MUNICIPALITY IN WHICH AN URBAN RENEWAL AUTHORITY HAS BEEN ESTABLISHED PURSUANT TO THE PROVISIONS OF THIS PART 1 SHALL TIMELY NOTIFY THE ASSESSOR OF THE COUNTY IN WHICH SUCH AUTHORITY HAS BEEN ESTABLISHED WHEN:
- (a) AN URBAN RENEWAL PLAN HAS BEEN APPROVED THAT CONTAINS THE PROVISION REFERENCED IN PARAGRAPH (a) OF SUBSECTION (9) OF THIS SECTION;
- (b) ANY OUTSTANDING OBLIGATION INCURRED BY SUCH AUTHORITY PURSUANT TO THE PROVISIONS OF SUBSECTION (9) OF THIS SECTION HAS BEEN PAID OFF; AND
  - (c) THE PURPOSES OF SUCH AUTHORITY HAVE OTHERWISE BEEN ACHIEVED.
- **SECTION 4. Applicability.** This act shall apply to urban renewal plans submitted to a governing body for approval on or after the effective date of this act.
- **SECTION 5. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 3, 1999